
Public Utilities Commission of the State of California

Public Agenda 3150

Thursday, April 7, 2005 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President

Geoffrey F. Brown

Dian M. Grueneich

Susan P. Kennedy

For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <i>Closed to the Public</i>	<i>Commission Meeting</i> Auditorium (10 a.m.) <i>Open to the Public</i>
Monday, April 18, 2005 (San Francisco)	Thursday, April 07, 2005 (San Francisco)
Monday, May 02, 2005 (San Francisco)	Thursday, April 21, 2005 (San Francisco)
Monday, May 23, 2005 (San Francisco)	Thursday, May 05, 2005 (San Francisco)
	Thursday, May 26, 2005 (San Francisco)

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

Matters of Public Interest

For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.

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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
-

Public Comment:

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Consent Agenda - Orders and Resolutions

- 1**
[4300] **Res TL- 19057**
Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- 2**
[4301] **Res ALJ 176-3150**
Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192481
- 3**
[4086] **A01-11-014 - Verizon Advanced Data, Inc.**
To transfer intrastate advance data services assets and California customer base, withdraw service and cancel its certificate of public convenience and necessity. A00-09-028 - Related matters. This decision grants in part and denies in part the June 23, 2004 petition to modify D03-06-044 filed by Covad Communications Company, MCI, Inc., AT&T Communications of California, WorldCom, Inc. and The Utility Reform Network. This decision closes the proceeding, but allows the parties to seek to have the proceeding reopened once federal uncertainty regarding the competitive issues raised in this proceeding are resolved. This proceeding is closed.
(Comr Brown - ALJ Thomas)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
Agenda 3147, Item 5 2/10/2005 (Staff)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=180496

Consent Agenda - Orders and Resolutions (continued)**4 (Rev.)** **C04-03-025 - City of San Diego, The Redevelopment Agency of the City of San Diego, and**
[4158] **Padres, L.P. vs. San Diego Gas & Electric Company.**

The City of San Diego (City), the City's Redevelopment Agency (Agency) and the Padres, L.P. (Padres) (jointly, complainants) brought this complaint to determine whether they, or defendant San Diego Gas & Electric Company (SDG&E), should bear the cost of installation work within a City redevelopment area. This decision grants complainants' motion to withdraw and/or dismiss the complaint because in this case the Superior Court has jurisdiction to interpret the Franchise Agreement between the City and SDG&E, and the statute it is derived from, Pub. Util. Code § 6297. (Comr Brown - ALJ Econome)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.

Agenda 3145, Item 16 1/13/2005 (Staff);

Agenda 3147, Item 7 2/10/2005 (Staff);

Agenda 3148, Item 3 2/24/2005 (Staff)

03/29/2005 - This revision was not shown on the Agenda mailed to the public.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192478

5 **Res W-4525 - Great Oaks Water Company.**

[4329]

This resolution rejects Great Oaks Water Company's Advice Letter 165 filed on December 13, 2004.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187654

6 **A03-12-005 - Altrio Communications, Inc. (Applicant).**

[4331]

For a certificate of public convenience and necessity to provide full facilities-based local exchange and interexchange telecommunications services in the cities of Arcadia, Sierra Madre and Monrovia, and in certain parts of Los Angeles County. The application is dismissed because the Applicant has failed to prosecute it. This proceeding is closed.

(Comr Kennedy - ALJ O'Donnell)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=191809

7 **A04-06-025 - Southern California Gas Company (SoCalGas).**

[4332]

This decision addresses the shareholder award amount that SoCalGas is requesting for Year 10 of its Gas Cost Incentive Mechanism.

(Comr Kennedy - ALJ Wong)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192262

Consent Agenda - Orders and Resolutions (continued)**8**

[4333]

Res T-16922 - Winterhaven Telephone Company (Winterhaven).

This resolution authorizes Winterhaven to implement a Customer Notification and Education Plan for the passage of customers' Calling Party Number. Winterhaven will institute a public education program, focusing on customer privacy and informed consent. (Advice Letter 166, filed December 2, 2004)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=189740

9

[4335]

Res PSPC-1

This resolution adopts the Budgets for the FY 05-06 from July 1, 2005 - June 30, 2006 for the Payphone Service Providers Enforcement (PSPE), Public Policy Payphone Programs; adopts a new surcharge level for PSPE Program and transfers the balance of the Telecommunications Devices for the Deaf Placement Interim Committee Fund to the Deaf and Disabled Telecommunications Program Fund.

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Agenda 3149, Item 19 3/17/2005 (Staff)

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185479

10

[4337]

A05-01-003 - Pacific Terminals LLC (Pacific Terminals).

Pacific Terminals LLC (Pacific Terminals) seeks authority under Pub. Util. Code § 851 to sell a half acre of real property that it owns in the City of Huntington Beach. This decision concludes that when Pacific Terminals relocates pipeline and a valve box that are now on the property, the property will no longer be necessary or useful in public utility service, and Pacific Terminals at that time may dispose of the property without further application to this Commission. This decision further finds that relocation of the pipeline facilities is exempt from California Environmental Quality Act (CEQA) review if Pacific Terminals proceeds in the manner required by CEQA Guideline 15284. This proceeding is closed. (Comr Brown - ALJ Walker)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192000

Consent Agenda - Orders and Resolutions (continued)

- 11**
[4348] **A04-09-037 - California-American Water Company (CalAm).**
This decision finds that it is not at this time in the public interest to order CalAm to impose a moratorium on new water connections in its Monterey District. Instead, CalAm should evaluate whether its existing Tariff Rule 14.1 is adequate to ensure that future water production does not violate State Water Resources Board Order WR 95-10. This proceeding is closed.
(Comr Peevey - ALJ McVicar)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192629
- 12**
[4367] **Res ST-76 - Santa Clara Valley Transportation Authority (VTA).**
This resolution approves the Consumer Protection and Safety Division's Rail Transit Safety Section final audit report titled, "Triennial On-Site Safety Audit of the Santa Clara Valley Transportation Authority," dated March 7, 2005. VTA is ordered to implement the recommendations contained in the report and to provide quarterly progress reports to the Rail Transit Safety Section.
Pub. Util. Code § 311 – This item was mailed for Public Comment.
- 13**
[4371] **A04-06-002 - Shell California Pipeline Company LLC and Crimson California Pipeline L.P.**
This decision grants the proposed transfer provided certain insurance requirements and financial guaranties are met. This application is closed.
(Comr Kennedy - ALJ Barnett)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=191863
- 14**
[4381] **A04-07-049 - San Diego Gas & Electric Company (SDG&E).**
This decision allows Whispering Hills, LLC (Whispering Hills) to perform grading on the property that is the subject of this application, and directs SDG&E to enter into further negotiations with Whispering Hills regarding the price to be paid for the property.
(Comr Brown - ALJ Allen)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192701

Consent Agenda - Orders and Resolutions (continued)

- 15**
[4382] **I04-04-001 - Order Instituting Investigation and Order to Show Cause on the Commission's own motion into the operations and practices of Ronen Perez, an individual, Ford Moving and Storage, Inc., a California corporation, and its president, Ronen Perez.**
- This decision finds that respondents have violated numerous sections of the Public Utilities Code and Commission rules and regulations. The decision denies respondents' pending permit for cause, requires customer restitution, imposes fines, and finds that respondents, or any entity in which respondents hold a financial or management interest, may reapply for a household goods carrier permit only after they have complied in full with all terms of court and Commission orders and made a showing of rehabilitation in a formal application. This proceeding is closed.
- (Comr Brown - ALJ Walwyn)
- Pub. Util. Code § 311 – This item was mailed for Public Comment.*
- Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*
- http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192678
-
- 16**
[4383] **I04-08-022 - Order Instituting Investigation and Order to Show Cause on Commission's own motion into operations, practices of All State Moving and Storage, Inc., dba California Transportation Systems, dba Prime Movers, dba All State Moving & Storage, dba City Transportation System, and its President, Jacob (aka Yacov) Sudai, and Secretary, Israel Lerner; Washington Mini-Storage, Inc., dba Prime Movers, dba Washington Moving and Storage, and its President, Yacov Sudai; and VIP Relocation, Inc., et al.**
- This decision finds that the Commission's Consumer Protection and Safety Division has presented substantial and uncontested evidence of 523 violations of the Household Goods Carriers Act and Commission regulations, and orders certain respondents to pay a fine and all damage and loss claims. These respondents are also found to be unfit to operate as household goods carriers. This proceeding is closed.
- (Comr Brown - ALJ Bushey)
- Pub. Util. Code § 311 – This item was mailed for Public Comment.*
- Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*
- http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192189
-
- 17**
[4385] **A04-07-032 - Pacific Gas and Electric Company (PG&E).**
- For (1) authority to sell or assign recovery property to one or more financing entities; (2) authority to service recovery bonds on behalf of financing entities; (3) authority to establish charges sufficient to recover fixed recovery amounts and fixed recovery tax amounts; and (4) such further authority necessary for PG&E to carry out the transactions described in this application. This decision awards \$11,729.65 of intervenor compensation to The Utility Reform Network for its substantial contribution to D04-11-015. This proceeding is closed.
- (Comr Peevey - ALJ Kenney)
- Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190247

Consent Agenda - Orders and Resolutions (continued)

- 18**
[4386] **A04-12-002 - Cypress Communications Operating Company, Inc. (Cypress Operating), Cypress Communications Holding Company, Inc. (Cypress Holding), and TechInvest Holding Company, Inc. (THC).**
This decision grants the application of Cypress Operating, Cypress Holding, and THC for approval of the indirect transfer of control of Cypress Operating to THC. This proceeding is closed.
(Comr Kennedy - ALJ Prestidge)
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190050
- 19**
[4388] **A05-01-008 - New Access Communications LLC, Jasper Holdings LLC, and North Central Equity LLC.**
The transfer of ownership of New Access Communications LLC from Jasper Holdings LLC to North Central Equity LLC is approved. This proceeding is closed.
(Comr Kennedy - ALJ Galvin)
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190219
- 20**
[4394] **(ECP) C04-12-011 - James Ahn vs. Southern California Gas Company.**
Complaint for high bills. Held - relief denied. Complainant's meter was accurate and gas use was reasonable. This proceeding is closed.
(Comr Peevey - ALJ Barnett)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190503
- 21**
[4395] **A04-03-035 - Pacific Bell Telephone Company dba SBC California.**
For modification of D94-09-065 to enable SBC California to reduce prices to meet competition. This decision grants The Utility Reform Network intervenor compensation in the amount of \$46,469.10 for its contribution in D04-11-022. This proceeding is closed.
(Comr Brown - ALJ Bushey)
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=189589
- 22**
[4396] **R01-01-001 - Order Instituting Rulemaking to review the Affiliate Transaction Rules.**
This decision closes Rulemaking 01-01-001.
(Comr Kennedy - ALJ Brown)
Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190511

Consent Agenda - Orders and Resolutions (continued)

- 23**
[4397] **A04-10-003 - Southern California Water Company (SCWC).**
This decision authorizes SCWC to increase rates by approximately \$2.7 million, or about 10% above current revenues, in order to recover capital-related and operation and maintenance costs of a new 8.4 megawatt electric generating facility for its Bear Valley Electric Service Division. Adopted rates are subject to refund after a reasonableness review in SCWC's general rate proceeding. This proceeding is closed.
(Comr Brown - ALJ DeBerry)
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192282
- 24**
[4404] **Res T-16929 - Verizon California Inc. (Verizon).**
This resolution approves an Interconnection Agreement between Verizon and OnFiber Carrier Services, Inc., in accordance with the provisions of General Order 96-A and Resolution ALJ-181.
(Advice Letter 11039, filed January 6, 2005)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=191291
- 25**
[4406] **Res E-3920 - San Diego Gas & Electric Company (SDG&E).**
SDG&E submits a revision to the Transmission Revenue Balancing Account Adjustment Rate. This resolution approves the rate change proposed by SDG&E pursuant to FERC's approval of this rate.
(Advice Letter 1671-E, filed February 25, 2005)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192546
- 26**
[4408] **Res W-4527 - Graeagle Water Company (Graeagle).**
This resolution authorizes Graeagle a thirty-six month rate surcharge for recovery of its unanticipated expense memorandum account producing an increase of \$38,124 or 11.04% for a total of \$114,373.
(Advice Letter 40, filed November 1, 2004)
- 27 (Rev.)**
[4409] **Res W-4526 - Big Basin Water Company (BBWC).**
This resolution authorizes BBWC a general rate increase producing additional annual revenue of \$106,725 or 46.5% in 2003.
04/05/2005 - This revision was not shown on the Agenda mailed to the public.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=191438

Consent Agenda - Orders and Resolutions (continued)

- 28** **A04-11-019 - Adventure Ambassadors (Applicant).**
[4417] This decision authorizes Applicant to operate as an on-call passenger stage corporation between points in the North Lake Tahoe-Truckee area; and to establish a zone of rate freedom. This proceeding is closed.
 (Exam Clark)
 Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
- 29** **A04-12-021 - San Francisco VIP Coach Tours, Inc.**
[4418] This decision authorizes San Francisco VIP Coach Tours, Inc. to transfer its passenger stage corporation certificate to Cosme Molina. This proceeding is closed.
 (Exam Clark)
 Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
- 30** **A04-09-024 - Mahine Moghaddam, dba E-Z Airport Shuttle (Applicant).**
[4419] This decision authorizes Applicant to operate as a passenger stage corporation between points in Orange County and John Wayne Airport, and to establish a zone of rate freedom. This proceeding is closed.
 (Exam Clark)
 Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
- 31** **A05-01-025 - Mahmoud Abdelaziz, dba Safeway Shuttle (Applicant).**
[4420] This decision authorizes Applicant to operate as a passenger stage corporation between points in Contra Costa, Alameda, and San Francisco Counties, on the one hand, and San Francisco, Oakland, and San Jose International Airports, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.
 (Exam Clark)
 Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
- 32** **A04-03-015 - San Diego Gas & Electric Company (SDG&E).**
[4422] This decision grants SDG&E's unopposed application for a Permit to Construct the Grant Hill Substation, formerly known as the Uptown Substation. The decision finds that the substation is needed to meet anticipated load growth and to improve distribution reliability in downtown San Diego, as well as the western part of the Southeast San Diego community. The decision also adopts the Final Mitigated Negative Declaration regarding the substation issued on December 23, 2004, finding that if the mitigation measures therein are implemented, the new substation will not have a significant effect upon the environment. This proceeding is closed.
 (Comr Brown - ALJ McKenzie)
 Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
 http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=191315

Consent Agenda - Orders and Resolutions (continued)

33

[4423]

C05-03-012 - MPower Communications Corp. , NII Communications, Ltd., Blue Casa Communications, Inc., Wholesale Air-Time, Inc., Navigator Communications, LLC, Anew Telecommunications Corp. dba Call America, TCAST Communications and CF Communications LLC dba Telekenex vs. Pacific Telephone Company dba SBC California.

This decision confirms the Assigned Commissioner's ruling addressing the motion for emergency injunctive relief filed by Mpower Communications Corp., et al. against Pacific Bell Telephone Company, doing business as SBC California.

(Comr Brown - ALJ Reed)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.

34

[4429]

A04-04-009 - Pacific Gas and Electric Company (PG&E).

This decision grants PG&E's application for authorization pursuant to Pub. Util. Code §851 to convey a permanent easement for slope stabilization improvements across PG&E property in Solano County to Triad Communities, L.P. This proceeding is closed.

(Comr Brown - ALJ Prestidge)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190388

Regular Agenda

Regular Agenda - Energy Orders

35 **R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.**
[4350]

The Commission's October 28, 2004 Interim Opinion Regarding Resource Adequacy (Decision 04-10-035) is modified, as set forth herein, to clarify and restate the Commission's policy for resource adequacy requirements. In particular, the nature of the forward commitment obligation is specified. (Comr Peevey - ALJ Wetzell)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3149, Item 38 3/17/2005 (Peevey)

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=191298

36 **A04-05-041 - Pacific Gas and Electric Company (PG&E).**
[4354]

This decision grants PG&E's petition to modify D04-10-037. The specific modifications to D04-10-037 are as follows. First, long-term debt and preferred stock that is issued pursuant to D04-10-037 will not be voided if PG&E fails to maintain its capital structure in accordance with Commission requirements. Second, PG&E may use the long-term debt and preferred stock authorized by D04-10-037 for every purpose listed in Pub. Util. Code § 817. Third, long-term debt and preferred stock that is issued pursuant to D04-10-037 may be secured by PG&E's accounts receivable. Fourth, PG&E may renew its accounts receivable credit facility when it expires in 2007. Finally, Ordering Paragraph 6 is corrected to provide PG&E with authority to issue First Mortgage Bonds as primary obligations. This proceeding is closed.

(Comr Peevey - ALJ Kenney)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

36a **ALTERNATE TO ITEM 4354**
[4355]

The ALJ's alternate denies the following parts of PG&E's petition. First, the alternate denies PG&E's petition to the extent it requests authority to use the long-term (L/T) debt and preferred stock (P/S) authorized by D04-10-037 for every purpose listed in Section 817. Instead, the alternate allows PG&E to file an advice letter to request authority to use the L/T debt and P/S authorized by D04-10-037 for the purposes listed in Section 817 when PG&E can demonstrate a firm need to do so. Second, the alternate denies PG&E's petition to the extent it requests unconditional authority to renew its accounts receivable (A/R) credit facility when it expires in 2007. Instead, the alternate allows PG&E to renew the facility when it expires in 2007 if it can demonstrate that the A/R supporting the facility can be used exclusively to procure gas and electricity for PG&E's customers at the discretion of PG&E or the CPUC. Finally, the alternate denies PG&E's petition to the extent it requests general authority to issue debt secured by its accounts receivable.

(ALJ Kenney)

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190805

Regular Agenda - Energy Orders (continued)

37 **R04-04-026 - Order Instituting Rulemaking to implement the California Renewables**
[4375] **Portfolio Standard Program.**

This decision addresses the issue of the participation of renewable distributed generation (DG) in the Renewable Portfolio Standards (RPS) program, and spells out the general principles that will guide that participation particularly regarding Renewable Energy Credits (RECs). The decision finds that the owner of the renewable DG facilities own the RECs associated with the generation of electricity from those facilities, those RECs may be used to satisfy the utilities' RPS targets, and the RECs stay bundled with the associated electricity.

(Comr Peevey - ALJ Allen)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190544

38 **R04-04-025 - Order Instituting Rulemaking to promote consistency in methodology and input**
[4399] **assumptions in Commission applications of short-run and long-run avoided costs, including pricing for qualifying facilities.**

This decision adopts the Methodology and Forecast of Long-Term Avoided Cost(s) for the evaluation of California Energy Efficiency Programs, E3 Research Report submitted to the CPUC Energy Division, October 25, 2004 (E3 report) for use in the evaluation of energy efficiency investments for the 2006-2008 program cycle.

(Comr Kennedy - ALJ Halligan)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192655

39 **A00-11-038 - Southern California Edison Company.**

[4430]

For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028 - Related matters. This decision allocates the 2005 revenue requirement of the California Department of Water Resources, as modified by their March 16, 2005 submission.

(Comr Brown - ALJ Allen)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192647

Regular Agenda - Energy Resolutions and Written Reports

- 40**
[4384] **Res G-3377 - Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E).**
SoCalGas in Advice Letter 3425 requests approval of an open season for allocation of firm transmission service to the Rainbow Corridor commencing on May 1, 2005 and SDG&E in Advice Letter 1488-G requests approval of an open season for firm noncore gas service commencing on May 1, 2005. This resolution denies Advice Letter 3425 without prejudice, and approves Advice Letter 1488-G with modification. (SoCalGas Advice Letter (AL) 3425, filed November 8, 2004 and SDG&E AL 1488-G, filed November 8, 2004)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192556
- 41**
[4411] **Res E-3925 - Pacific Gas and Electric Company (PG&E).**
PG&E filed Advice Letter 2606-E on January 3, 2005 requesting approval of a contract with a hydro-power facility located on the Stanislaus River totaling 101 MW of capacity with energy production of 470 GWhr in an average year. PG&E responded to a Request for Proposal issued by the Tri-Dam Project and was the winning bidder. (Advice Letter 2606-E, filed January 3, 2005)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192135
- 42**
[4449] **Res E-3929 - Pacific Gas and Electric Company (PG&E).**
PG&E requests approval of a three-year physical tolling agreement beginning in 2005 with Duke Energy Marketing America for energy and capacity from both its Morro Bay Generation Units 3 and 4. PG&E's request is approved with modifications (Advice Letter 2632-E, filed February 23, 2005)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192254
- 42a (Rev.)**
[4477] **ALTERNATE TO ITEM 4449**
Pacific Gas and Electric ("PG&E") requests Commission approval of a three-year physical tolling agreement beginning in 2005 through December 2007 with Duke Energy Marketing Americas ("Duke" or DEM A"). PG&E's request is approved with modifications.
04/06/2005 - This item was not listed on the agenda distributed to the public.

Regular Agenda - Telecommunication Orders**43**
[4290] **R03-04-003 - Order Instituting Rulemaking on the Commission's own motion to comply with the mandates of Senate Bill 1563 regarding deployment of advanced telecommunications technologies.**

This decision satisfies the requirements of Senate Bill 1563 (Ch. 674, Stats. 2002), which requires the Commission to develop a plan for encouraging the widespread availability and use of advanced communications infrastructure and to report its findings and recommendations to the Governor and the Legislature. This proceeding is closed.

(Comr Kennedy - ALJ Malcolm)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.

Agenda 3149, Item 44 3/17/2005 (Staff)

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192185

44
[4311] **R _____ - Order Instituting Rulemaking on the Commission's own motion to assess and revise the regulation of telecommunications utilities.**

This Order institutes a rulemaking to assess and revise the regulation of all telecommunications carriers in California except for small incumbent local exchange carriers (ILECs). The primary goal of this proceeding is to develop a uniform regulatory framework for all telecommunications utilities, except small ILECs, to the extent it is feasible and in the public interest to do so.

Agenda 3148, Item 38 2/24/2005 (Brown);

Agenda 3149, Item 45 3/17/2005 (Grueneich)

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=190727

45
[4373] **R04-12-001 - Order Instituting Rulemaking into implementation of Federal Communications Commission Report and Order 04-87, as it affects the Universal Lifeline Telephone Service program.**

This decision adopts a hybrid program of income certification or program – based eligibility for the Universal Lifeline Telephone Service program. The decision also adopts an annual verification process and determines that the adopted certification and verification processes should be performed by a Third Party Administrator.

(Comr Peevey - ALJ Jones)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192737

Regular Agenda - Telecommunication Orders (continued)

46 **A04-05-039 - Lynch Telephone Corporation XI, Lynch Interactive Corporation, Brighton**
[4378] **Communications Corporation, Cal-Ore Telephone Company and California-Oregon**
Telecommunications Corporation.

This decision grants conditional authority under Section 854 for Lynch Interactive Corporation to acquire indirect control of Cal-Ore Telephone Co. and Cal-Ore Long Distance. This proceeding is closed.

(Comr Brown - ALJ Kenney)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192773

47 **A04-05-002 - XO California, Inc. (XO).**

[4421]

This order modifies and confirms the March 10, 2005 Assigned Commissioner's and Arbitrator's Ruling (Joint Ruling) which granted the motion for an emergency order to restrict SBC California (SBC) from rejecting orders for certain unbundled network elements (UNEs). The Joint Ruling is confirmed in that SBC shall continue to honor its obligations under its interconnection agreement with XO for 60 days for all UNE orders relating to existing customers. The Joint Ruling is modified to remove SBC's obligation to process UNE orders for new customers.

(Comr Brown - ALJ Duda)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192718

Regular Agenda - Telecommunication Resolutions and Reports

48

Res T-16925 - Verizon California Inc. (Verizon).

[4356]

This resolution approves Verizon's advice letter regarding transfer of Verizon Advanced Data Inc. back to Verizon. (Advice Letter 10550, filed July 1, 2003)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192607

Regular Agenda - Water/Sewer Orders

- 49**
[4317] **A03-04-025 - San Gabriel Valley Water Company.**
For authority to implement a low income rate in its Los Angeles County Division in compliance with D02-10-058 in A01-10-028. This decision concludes consideration of low-income rate proposals.
This proceeding is closed.
(Comr Brown - ALJ Bushey)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
Agenda 3149, Item 48 3/17/2005 (Peevey)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192184
- 49a**
[4413] **ALTERNATE TO ITEM 4317**
This alternate accepts San Gabriel Water Company's low-income rate relief program known as California Alternative Rates for Water, or CARW, for its Los Angeles District.
(Comr Peevey)
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192636
- 50**
[4351] **A04-11-004 - Union Pacific Railroad Company (Union Pacific), Keene Water System.**
The Commission denies Union Pacific's request for interim rate relief because the Keene Water System is presently poorly organized and an interim rate increase would not be just or reasonable.
(Comr Peevey - ALJ Thorson)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192037

Regular Agenda - Water/Sewer Resolutions and Reports**51**

[4265]

Res W-4522 - Point Arena Water Works (PAWW).

This resolution authorizes PAWW a surcharge of \$2.98 per month per customer for six years producing an annual increase in revenue of \$6,625 or 3.4% for a total of \$39,750 to recover legal expenses. (Advice Letter 49, filed October 28, 2004)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Agenda 3149, Item 49 3/17/2005 (Staff)

51a

[4425]

ALTERNATE TO ITEM 4265

Alternate resolution authorizes a surcharge of \$6.98 per month per customer for six years producing an annual increase in revenue of \$15,485 or 7.9% for a total of \$92,911 to recover professional expenses.

Regular Agenda - Legislative Matters

- 52** **H.R. 359 and Other Liquefied Natural Gas Bills Proposed in Congress**
[4407] Discussion and recommended positions on H.R. 359 and other proposed LNG bills in Congress, which would provide the FERC with exclusive jurisdiction or would provide for concurrent federal/state jurisdiction over LNG facilities proposed to be sited within the states' borders.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192516
- 53** **AB 380 (Nunez)**
[4433] Electrical restructuring: resource adequacy.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192417
- 54** **AB 974 (Nunez)**
[4434] Electrical transmission system.
- 55** **AB 1010 (Oropeza)**
[4435] Rail transit.
- 56** **AB 1082 (Ruskin)**
[4436] Telecommunications: consumer protection.
- 57** **AB 1362 (Levine)**
[4437] Renewables portfolio standard: renewable energy credits.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192398
- 58** **AB 1380 (Gordon)**
[4438] Telecommunications: new area codes.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192399
- 59** **AB 1547 (Levine)**
[4439] Solar generation of electricity.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192418
- 60** **AB 1555 (La Malfa)**
[4440] Renewables portfolio standard: hydroelectric generation facilities.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192400

Regular Agenda - Legislative Matters (continued)

- 61** **AB 1585 (Blakeslee)**
[4441] Renewables portfolio standard.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192401
- 62** **AB 1704 (Richman)**
[4431] Electrical restructuring: core, noncore, and core-elect electrical market structure.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192402
- 63** **SB 1 (Murray and Campbell)**
[4432] Renewable energy resources: Million Solar Roofs Initiative.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192403
- 64** **SB 107 (Simitian and Perata)**
[4442] Renewables portfolio standard.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192404
- 65** **SB 641 (Campbell)**
[4443] Electrical restructuring: core/noncore electrical market structure.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192405
- 66** **SB 850 (Escutia)**
[4444] Broadband telecommunications service.
http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=192424
- 67** **SB 1059 (Escutia and Morrow)**
[4445] Electric transmission corridors.
- 68** **SB 1068 (Escutia)**
[4446] Telecommunications: consumer protection.

Regular Agenda - Commissioner's Reports

69

[4412]

President Peevey Report

Discussion and action to appoint Comr. Grueneich to the Low Income Oversight Board.

70

[4447]

President Peevey Report

Discussion and action to appoint Comr. Grueneich to the Western Electricity Coordinating Council membership.

Regular Agenda - Management Reports and Resolutions

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).

Closed Session - Non-Federal

- 71** **Conference with Legal Counsel - Applications for Rehearing**
 [4302] Compilation of applications for rehearing recently filed with the Commission.
 Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.
- 72** **R03-09-006 - Conference with Legal Counsel – Application for Rehearing**
 [4276] Disposition of Application for Rehearing and/or Request for Stay of D04-12-056 filed by Southern California Edison Company (SCE), and/or Disposition of Application for Rehearing of D04-12-056 filed by the Pacific Gas and Electric Company (PG&E) and the San Diego Gas and Electric Company (SDG&E). D04-12-056 prohibits the use of 'reverse auctions' in energy utility construction contract bidding procedures, a practice in which bidders compete for contracts by lowering their bids until the lowest bid is accepted. D04-12-056 also requires respondent utilities to ensure the payment of prevailing wages by their construction contractors in all construction. SCE, PG&E, and SDG&E, respondent utilities, seek rehearing on allegations that latter provision of D04-12-056 is preempted by federal law, contrary to Commission Rules, and not supported by the record of the proceeding.
 Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.
 Agenda 3147, Item 48 2/10/2005 (Staff);
 Agenda 3148, Item 42 2/24/2005 (Staff);
 Agenda 3149, Item 53 3/17/2005 (Staff)
- 73 (Rev.)** **A99-03-039 - Conference with Legal Counsel - Application for Rehearing**
 [4358] Disposition of Application for Rehearing of D04-09-020 by The Utility Reform Network (TURN). The Decision grants the majority of the expenses sought by Pacific Gas and Electric Company (PG&E) for enhancement of its transmission and distribution system safety and reliability pursuant to PUC Code Section 368. TURN alleges that the Decision is in error because it fails to address the majority of the expenditures for which PG&E sought reimbursement and also because of the Commission's treatment of the issue of common plant.
 Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.
 Agenda 3149, Item 54 3/17/2005 (Staff)
 03/29/2005 - This revision was not shown on the Agenda mailed to the public.

Closed Session - Non-Federal (continued)

- 74** **R03-08-019 - Conference with Legal Counsel - Application for Rehearing**
[4365] Disposes of Application for Rehearing of D04-08-055 filed by Calaveras Telephone Company et al. In D04-08-055, the Commission adopted General Order 77-L to supersede General Order 77-K. *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*
Agenda 3149, Item 56 3/17/2005 (Staff)
- 75** **R03-03-017 - Conference with Legal Counsel - Application for Rehearing**
[4402] I03-03-018 - Related matters. Disposition of Application for Rehearing of D04-11-033, filed by Western Manufactured Housing Community Association. In this decision, the Commission issued an order resolving certain Phase 2 issues relating to the discount utilities allow to mobilehome park owners pursuant to Public Utilities Code Sec. 739.5. *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*
- 76** **C00-01-017 - Conference with Legal Counsel - Application for Rehearing**
[4428] Disposition of the request for an application for rehearing of D05-01-006 filed by Golden State Homeowners League, Inc. (Golden State). D05-01-006 denied Golden State's request for intervenor compensation for its contribution to D01-08-040 and D04-06-007 in C00-01-017 for the following reasons: (1) Golden State did not make a substantial contribution to the Decision; (2) Golden State's work completed on behalf of the Complainant is not compensable because the complainant is not eligible for intervenor compensation; and (3) Golden State does not qualify as a customer under Public Utilities Code Section 1802(b). *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

Closed Session - Initiation of Litigation - Non-Federal

Consideration of possible Commission initiation of, or intervention in, litigation.

Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.

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[4372]

Conference with Legal Counsel – Initiation of Enforcement Proceeding

Deliberation on institution of proceeding or disciplinary actions against person or entities under the Commission's jurisdiction. (Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced and disclosure could also jeopardize the ability to effect personal service on the Respondent.)

Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.

Gov. Code § 11126(d)(2), allows this item to be considered in Closed Session.

Agenda 3149, Item 58 3/17/2005 (Staff)

Closed Session - Threatened Litigation - Non-Federal

Significant exposure to litigation

Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session

Closed Session - Personnel Matters

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

Gov. Code § 11126(a), allows this item to be considered in Closed Session

Closed Session - Threatened Litigation - Federal

Significant exposure to litigation in federal agency or court proceedings.

Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session

Closed Session - Initiation of Litigation - Federal

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.

Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.

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[4391]

Conference with Legal Counsel - Initiation of Litigation

Consideration of possible Commission initiation of, or intervention in, federal agency or court.

Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.

Closed Session - Federal**80**

[4175]

WC Docket No. 03-211 - Conference with Legal Counsel – Existing Litigation

In re Vonage Holdings Corp. Petition for Declaratory Ruling Concerning an Order of the Minnesota PUC, WC Docket No. 03-211.

Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.

Agenda 3145, Item 68 1/13/2005 (Brown);

Agenda 3146, Item 50 1/27/2005 (Kennedy);

Agenda 3147, Item 52 2/10/2005 (Grueneich);

Agenda 3148, Item 45 2/24/2005 (Grueneich);

Agenda 3149, Item 60 3/17/2005 (Staff)

81

[4303]

Case Nos. C 04-00580 VRW (Bankruptcy Case No. 01 30923 DM) - Conference with Legal Counsel - Existing Litigation

Loretta Lynch vs. California Public Utilities Commission, Pacific Gas and Electric Company (Debtor), U.S. District Court for the Northern District of California, Case No. C 04-00580 VRW; Pacific Gas and Electric Company (Debtor), United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 01 30923 DM.

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[4424]

D.C. Court of Appeals Nos. 04-1235 and 04-1222 - Conference with Legal Counsel - Existing Litigation

California Public Utilities Commission v. FERC, D.C. Circuit Court of Appeal No. 04-1235

(Consolidated under lead docket No. 04-1168) and California Independent System Operator v.

FERC, D.C. Circuit Court of Appeals No. 04-1222.

Closed Session - FERC Docket No. EL00-95-000

Conference with Legal Counsel - Existing Litigation; San Diego Gas & Electric Co., EL00-95-000

Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.